

**CALIFORNIA GAMBLING CONTROL COMMISSION
GAMING POLICY ADVISORY COMMITTEE**

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**MINUTES OF OCTOBER 11, 2012
GAMING POLICY ADVISORY COMMITTEE MEETING**

OPEN SESSION

1. Call to Order

Executive Director Tina Littleton called the meeting to order at 1:32 p.m.

2. Roll Call of Advisory Committee Members

Roll call of the committee members was taken. Ileana Harris, Brent Meyer, Kermit Schayltz, Andy Schneiderman, Ron Werner, and Aaron Wong, were present at the meeting. Audra Opdyke attended the meeting in Norm Pierces absence. TerriSue Canale, Yolanda Clayton and Norm Pierce were absent.

Commission staff participating: Tina Littleton, Executive Director and Joe Dhillon, Chief Counsel.

3. Approval of May 10, 2012 Minutes

Upon motion by Brent Meyer, seconded by Ron Werner and unanimously carried by the members, the May 10, 2012 minutes were approved.

4. Discussion on Project for the selection of Future GPAC Members

Subcommittee members: Ron Werner and Brent Meyer

Tina Littleton indicated that this project was in its final stages and asked for any suggested changes or corrections that were needed to the application form (Attachment A) or to the process itself. Ron Werner indicated that there was a spelling error on the first page of the application. By email, TerriSue Canale stated that she preferred that the public member section located on page two of the application, Item B, read that one representative be a member of the Problem Gambling Field rather than from the Office of Problem Gambling. It was also suggested that Item G have the phrase "from the gaming industry" removed.

Furthermore, Andy Schneiderman recommended adding to the end of each sentence of both Items G and H "not affiliated with a licensed cardroom or Third Party Provider". Discussions ensued concerning the possible need and addition of a representative from a Third Party Provider. Ron Werner proposed striking the current representative in Item C and replacing it with a licensee or registrant of a Third Party Provider. It was decided that Ron Werner would make the noted changes to the application. Tina Littleton stated that the application and selection process will be scheduled for a November Commission Meeting to receive feedback and possible ideas or changes needed from the Commissioners. Brent Meyer moved to approve the process for selection of future GPAC members with the noted changes. Kermit Schayltz seconded the motion, which was carried by all.

5. Discussion on Project for Establishing an Outreach Program for Small/Medium Cardrooms

Subcommittee members: Ileana Harris and Kermit Schayltz

Ileana Harris provided an update on the status of the compliance checklists that are located on the Bureau of Gambling Control's (Bureau) website. Aaron Wong reported that field representatives from the Bureau distributed compliance checklists to industry members before the checklists were available electronically and the feedback was very positive. Ron Werner suggested coordinating with the Bureau as part of the annual and/or semi-annual Card Club Association meeting to provide compliance workshops for small cardrooms. Other types of on-going training were suggested such as mentorship programs and webinars. Also discussed was the possible need for establishing outreach programs for Third Party Provider companies to ensure compliance. Ron Werner indicated that cardroom outreach would be a good task for the California Cardroom Association to undertake with some oversight from the Bureau and Commission. Pamela Mares, Public Information Officer, was assigned to assist the Outreach Program team. Tina Littleton stated that the project for the Outreach Program will be ongoing.

6. Discussion of Paperwork Reduction

Subcommittee members: Andy Schneiderman and Norm Pierce

Audra Opdyke provided a draft Paper Reduction Plan (Attachment B) for consideration of the members. Audra Opdyke explained that this plan was outlined by Norm Pierce at the previous GPAC Meeting. It was discussed that many of the documents listed may require amending regulations to allow for electronic submission. The items listed under the Bureau's consideration are still in the draft phase and as a result many items may be removed as additional research is conducted. Audra Opdyke indicated that through preliminary discussions with the Bureau's Information Technology Data Center a future goal is to have all forms web-based with the ability for industry members to submit their fees electronically. With regards to game-related applications and related correspondence, a meeting is

scheduled with members of the industry and the Bureau's Game Review Unit to gain input on ways to improve the efficiency of game approvals and the application itself. Other topics discussed were possible amendments to regulations requiring bi-annual reporting which includes game activity, persons with financial interest in cardrooms, and key employees. Ron Werner motioned that the draft plan be presented as an informational report to the Commission as the GPAC's Paper Reduction Plan for their comment. Kermit Schayltz seconded the motion, which was carried by all.

7. Scheduling Next Meeting/Discussion Items for Next Agenda

Executive Director Tina Littleton announced that she would advise Committee Members when the next meeting date was determined.

Adjournment

Executive Director Tina Littleton adjourned the meeting at 2:45 p.m.



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 California Gambling Control Commission
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APPLICATION FOR APPOINTMENT TO THE (GPAC) GAMING POLICY ADVISORY COMMITTEE

Applicant Information			
Name:			
Current address:			
City:	State:	ZIP Code:	
Home Phone: ()	Other Phone: ()	E-Mail Address:	
Employment Information			
Current employer:			
Employer address:			How long?
Phone:	E-mail:	Fax:	
City:	State:	ZIP Code:	
Position:	Title:	Hourly Salary (Please circle)	
Please Check ONE Box That Describes Your Affiliation:			
<input type="checkbox"/> A licensee, agent, or employee from a card room with less than 25 tables in operation			
<input type="checkbox"/> A licensee, agent, or employee from a card room with 25 tables or more in operation			
<input type="checkbox"/> A licensee, agent or employee from a Third Party Proposition Player Provider			
<input type="checkbox"/> An applicant affiliated with local law enforcement from a local government where an approved ordinance allows controlled gaming			
<input type="checkbox"/> A coalition agency or non-profit concerned with problem gambling and/or gambling addiction			
<input type="checkbox"/> Bureau of Gambling Control			
<input type="checkbox"/> A professional with accounting background and not affiliated with a licensed cardroom or Third Party Provider			
<input type="checkbox"/> A veteran practitioner within the legal profession and not affiliated with a licensed cardroom or a Third Party			
Organization Information (For non-profit coalitions or organizations)			
Organization name:			
Address:			How long have you been a member?
Phone:	E-mail:	Fax:	
City:	State:	ZIP Code:	
Statement of Qualification (Must attach with following information)			
1. A description of your qualifications.			
2. A explanation of why you are interested in serving on this committee.			
3. Three main issues you believe the (CGCC) Gaming Control Commission should address.			
Acknowledgement			
I acknowledge and understand that by submitting this application to serve on the Gaming Policy Advisory Committee I will be required to attend meetings, that the frequency of these meeting may be monthly, and currently there are no provisions for reimbursement for any cost associated with traveling to and from these meetings or for any wages lost for participating. I further acknowledge that I will commit to serve up to two years on the committee if chosen.			
Furthermore, I understand that this committee's purpose pursuant to Business and Professions Code Section 19817, is to act in an advisory capacity to California Gambling Control Commission on Gambling regulatory policy and other gambling related issues, excluding Tribal Gaming.			
Finally, I acknowledge that I will be required to complete a conflict-of-interest disclosure to be filed with the Commission and pass a background investigation in order to be appointed to the (GPAC) Gaming Policy Advisory Committee.			
Print Signature of applicant:			Date:
Signature of applicant:			Date:

GAMING POLICY ADVISORY COMMITTEE

Selection & Process

APPOINTMENT

Per Business & Professions Code Section 19817; there shall be ten (10) members of the Gaming Policy Advisory Committee (GPAC), who are appointed directly by the Gambling Control Commission of State of California.

TERM

Members of the Gaming Policy Advisory Committee (GPAC) may serve three (3) consecutive two (2) year terms, but no longer than eight (8) years (should they have been originally appointed to the GPAC beginning in 2012).

Members of the Gaming Policy Advisory Committee (GPAC) in Categories B, C, E, F (listed below) will be appointed in odd-numbered years, beginning in 2013;

Members of the Gaming Policy Advisory Committee (GPAC) in Categories A, D, G, H (listed below) will be appointed in even-numbered years, beginning in 2014.

REPRESENTATION

Members of the Gaming Policy Advisory Committee (GPAC) shall be appointed under the following representative categories:

PUBLIC MEMBERS (5): Categories A, B, F, G, H LICENSEE MEMBERS (5): Categories C, D, E

- A. One (1) member shall be a representative of the Bureau of Gambling Control;
- B. One (1) member shall be a representative of the Problem Gambling field;
- C. One (1) member shall be a representative of a licensed or registered Third Party Provider of Proposition Players
- D. Two (2) members shall be a representative of large (25 tables or more) licensed card club establishments;
- E. Two (2) members shall be a representative of small (less than 25 tables) licensed card club establishments;
- F. One (1) member shall be law enforcement officer/ investigator from local government where an approved ordinance allows controlled gambling;
- G. One (1) member shall be a professional with accounting background and not affiliated with a licensed cardroom or Third Party Provider of Proposition Players;
and
- H. One (1) member shall be a veteran practitioner within the legal profession and not affiliated with a licensed cardroom or Third Party Provider of Proposition Players.

Members of the Gambling Policy Advisory Committee (GPAC) appointed under these categories shall demonstrate and provide evidence of competency during the selection process and *prior* to their appointment.

SELECTION

Applicants who wish to be considered for recommendation to the Gaming Policy Advisory Committee (GPAC) shall complete an Application for Appointment to the Gaming Policy Advisory Committee. After being properly submitted, the applicant will be interviewed by a selection panel which shall include: the Executive Director of the Gambling Control Commission, and two (2) sitting members of the Gaming Policy Advisory Committee (GPAC). Upon completion of these interview panels, the Executive Director of the Gambling Control Commission shall make a written recommendation for appointment of those individual qualified to Chairperson of the Gambling Control Commission.

October 11, 2012

GPAC Discussion Points

Paper Reduction Plan

As assigned at the GPAC meeting of February 9, 2012, sub-committee members Andy Schneiderman and Norm Pierce conducted a preliminary assessment of possible actions to be taken by the California Gambling Control Commission (Commission) and Bureau of Gambling Control (Bureau) to reduce the use of paper and/or associated paperwork currently generated in the course of regulatory activities involving the cardroom industry. Those actions that potentially affect the Commission and are deemed appropriate and feasible by the GPAC will be included in a Paper Reduction Plan for conceptual approval by Commissioners for eventual implementation. Below is a listing of documents currently received and processed by the Commission, which Commission staff has suggested be discussed by GPAC members for possible inclusion in Plan.

Additionally, below is a summary of other possible actions to be taken by the Bureau as a means of reducing paper. Such actions do not appear to affect the Commission and, therefore, would not necessarily be included in the Plan.

POSSIBLE ACTION FOR COMMISSION CONSIDERATION

- A) Identify forms and other documents that may be accepted and processed by the Commission in electronic form.
- i. Such documents submitted by the industry include, but are not limited to:
- Request for approval of transfer of shares
 - Request for approval of loan transaction
 - Request for approval of articles of incorporation
 - Request for withdrawal/abandonment of application
 - Request for installment payments of annual fees
 - Chart of accounts
 - Annual financial statements
 - Security and surveillance plans
 - Emergency plans
- B) Inform the industry of those documents that will be accepted in electronic form, as appropriate.

POSSIBLE ACTION UNDER BUREAU CONSIDERATION

A) Identify forms and other documents to be accepted and processed in electronic form.

i. Documents already identified as acceptable include:

- Incident Reports
- Request for approval of third-party contract
- Self-exclusion notification
- Request for ordinance review and comment
- Application for approval of new or modified games/gaming activities

(Note: The following documents are submitted to the Bureau as well as to the Commission, and will be acceptable to the Bureau in electronic form: chart of accounts, annual financial statements, security and surveillance plans, and emergency plans.)

B) Notify the industry of those documents that will be accepted in electronic form, as appropriate.

C) Assess the feasibility of web-based forms and electronic payments

The Bureau, in conjunction with departmental IT staff, will determine the technical and resource requirements to develop the following web-based system capabilities:

- Applications, supplemental questionnaires, and other required forms to be completed, transmitted, and stored via the Internet.
- Certain forms to include drop-down menus to ensure more clearly defined responses.
- Applicants to securely transmit fees and deposits via the Internet.
- Information and fees submitted via the Internet to be programmatically transferred to the License Information System.

(Note: Implementation of the various phases of this project will be contingent upon available resources.)

D) Reduce Game-Related Applications and Related Correspondence

- Variations of rules in one application - The Bureau will allow further variations in certain elements of games and gaming activities in one application, thereby reducing the number of applications for game modifications. Industry representatives will be included in discussions. Notice will be sent to all cardrooms regarding the allowed variations.
- Revise game applications - The Bureau will revise existing application forms for games and gaming activities to refine questions regarding the specific rules of play, thereby reducing follow-up correspondence to clarify issues. The Bureau plans to soon implement these forms on a pilot, optional basis, and solicit feedback from applicants.

- Maximize the use of Bureau-approved game rules - The Bureau will identify on its web page, via a listing and/or links, various approved games and gaming activities that other cardroom may reference in an application, thus avoiding submission and review of new rules. These games will be in addition to those that already can be referenced, as listed on the Web site under Standard Game Rules.

Note: Cardrooms will be notified that if they wish to offer new games or gaming activities that are similar, but not identical, to others on the Web site, they may request a copy of the approved rules in Microsoft Word format, on which they can note any changes, via underline-and-strikeout editing, and submit with their application.

E) Possible Amendments to Regulations Requiring Bi-Annual Reporting

Preliminary evaluation suggests that Bureau regulations may be amended to eliminate reporting of some information by cardrooms. The Bureau will further assess potential program impact and initiate amendments as appropriate. The type of information that may no longer be required and/or is available through other means, includes:

- Gaming Activity (Section 2072)

- . The rules for each gaming activity offered during the prior six months.
- . A glossary of distinctive terms or phrases used in each gaming activity
- . The dates on which each gaming activity was offered

- Persons with Financial Interest in Cardrooms (Section 2052)

- . Persons receiving payments based on earnings from the gaming operations
- . Persons to whom cardroom earnings have been pledged or hypothecated

- Key Employees (Section 2060)

- . Name, job classification, and job description of every key employee, per subd. (c)
(This information is available upon request under subd. (a))